Many of my Republican colleagues advocate passing a constitutional amendment to prohibit flag desecration. I admire and agree with their intent to show proper respect to our flag, but I disagree with their belief that a new constitutional amendment banning flag burning is the best way to protect the flag and punish flag burners. To this end I, along with Senator McConnell, introduce legislation which will successfully and legally prevent the desecration of our national symbol.

Our bill provides for the imprisonment and fining of those who damage an American flag intending to incite a breach of the peace. It also punishes anyone who steals a flag belonging to the Federal Government or a flag displayed on Federal property. In a review of our bill, senior constitutional legal experts at the U.S. Library of Congress stated that if enacted, the bill would withstand Supreme Court constitutional scrutiny. I agree with this analysis and believe it is possible to punish the despicable behavior of flag desecration, while still preserving the stability of a document that has served us well for over 200 years.

With these comments, I wish my colleagues a happy Fourth of July holiday. May we always remember the liberties and blessings which are ours due to the sacrifice and inspiration of our American patriots.●

## HONG KONG REVERSION

• Mr. GLENN. Mr. President, next week the eyes of the world will be focused on Hong Kong when the British dependent territory reverts to Chinese control. The end result of a negotiated agreement between the United Kingdom and China, the reversion itself is widely accepted and not a matter of controversy. Nevertheless, how China will handle the dynamic and thriving territory of Hong Kong in the near and longer term future is a matter of great interest, and of considerable difference of opinion.

I count myself among those who are cautiously, I underscore cautiously, optimistic about the future of Hong Kong. The principle reason for my cautious optimism is a belief that, in this area, China will be guided primarily by consideration of its economic self interest. Many have likened Hong Kong to the goose that laid the golden egg. That characterization is well deserved. Simply put, China has an enormous stake in continued economic growth and prosperity in Hong Kong. Over the last several years, economic growth in Hong Kong has averaged 5 to 6 percent a year; Hong Kong is now the eighth largest trader in the world; and its GDP of almost \$24,000 per capita exceeds that of several western industrialized nations. Hong Kong is an international business and financial center. The Hong Kong and Chinese economies already intertwined and dependent. Hong Kong is a source of substantial investment in China and a conduit for Chinese exports around the world.

To a large extent the Chinese leadership has staked its legitimacy and its future on the ability to bring growth to China's economy and an improving standard of living to its people. Over the next 5 years China will have to find jobs for an estimated 216 million new or displaced workers. Reason would argue that China simply cannot afford to substantially tamper with the economic growth engine that is Hong Kong.

In addition to the negative economic consequences of mishandling the Hong Kong reversion, China has other incentives to try hard to make things work. China has advertised the Hong Kong one country-two systems principle as a model for any potential future discussions on reunification of Taiwan with the mainland. While it's still unclear whether or not this is even a feasible proposition, you can be sure if things do not go well in Hong Kong, any possibility of talks with Taiwan on reunification will continue to remain remote for the foreseeable future. Finally, the success or failure of the Hong Kong transition will have a substantial impact on United States-Chinese bilateral relations, as well as on the worldwide perception of China.

Having outlined the reasons for my optimism, I must now explain why I temper that optimism with a healthy dose of caution. I am not sure, Mr. President, that the leadership in Beijng understands what it takes to nurture the robust and thriving socioeconomic system of Hong Kong, particularly the relationship between the political and economic spheres. I am not sure that the Chinese leadership will necessarily favor their economic interests over political or perceived security interests, if the two sets of interests collide.

The record of the period of preparation for reversion is mixed. Hong Kong continues to thrive economically and business confidence remains high. China has agreed to Hong Kong's continued membership in international institutions as a separate entity and to the continuation of Hong Kong's experienced and professional civil service. On the other hand, China's decision to replace the elected legislature, Legco, with an appointed provisional legislature and certain statements by Chinese officials concerning definition of freedom of the press have caused considerable unease among Hong Kong's democratic political organizations, in the United States and in Britain.

The great unanswered question is whether the Chinese leadership will be willing and able to effectively implement the one country-two systems model, preserving Hong Kong's economic prosperity as well as the political freedoms the people began to enjoy under British rule. If alternatively, they begin to roll back the political freedoms and individual liberties, in my view, the economy will not be im-

mune, and they may well end up sacrificing that fabled golden goose.

We may not know the answer to that question for several years. As I said earlier, the eyes of the world will be on Hong Kong next week. But, those eyes will not be taken off Hong Kong on July 2. You can be sure the world will continue to watch China's stewardship of Hong Kong with intense interest for many years.

And, we shouldn't just watch. The United States should do everything it can to support the people of Hong Kong. The United States should encourage China to see and understand that its own interests are best served by maintaining true autonomy for Hong Kong. Anything less would be a failure.

## WILL ISEA PART WAYS WITH THE NEA?

Mr. GRASSLEY. Mr. President, I know that all of us agree there is no greater national treasure this Nation has than our children. Nurturing and encouraging them to live up to their potential is one of the most important things we can do. That is why our educational system must be the best it can be and our Nation's educators must be the best they can be. But there is something that I believe all the members of congress need to be aware of because it may have a profound and lasting effect on educators throughout the country. I am referring to the ongoing merger talks between the National Education Association and the American Federation of Teachers.

This matter is of prime importance to NEA members across the United States and I know it is of tremendous importance to the Iowa State Education Association. It is disturbing that many members of the NEA are not aware of this because this is not just ioining of two teachers' organizations. Given the AFT's affiliation with the AFL-CIO and the apparent willingness of the NEA to accede to the demands of the AFT. Should the merger go through, this new organization would be a member of the AFL-CIO, which could have tremendous policy implications for the largest organization representing educators. For that reason, I urge other members of congress to read the article I am submitting for consideration.

The article follows:

WILL ISEA PART WAYS WITH THE NEA? (By James Flansburg)

The Iowa State Education Association is thinking about dropping its affiliation with the National Education Association.

At ISEA's annual meeting in Ames in early April, a number of members said they fear that the NEA is moving toward a militant unionism that could severely harm professionalism in teaching.

The course being followed by the NEA would take away the independence of local and State affiliates, while, at the same time, putting them deeply into partisan politics and formal efforts to control local school boards and policies.